

1-1 By: Taylor S.B. No. 1861
1-2 (In the Senate - Filed April 1, 2013; April 2, 2013, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 22, 2013, reported favorably by the following
1-5 vote: Yeas 4, Nays 0; April 22, 2013, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9			X	
1-10	X			
1-11	X			
1-12	X			

1-13 A BILL TO BE ENTITLED
1-14 AN ACT

1-15 relating to the Angleton-Danbury Hospital District of Brazoria
1-16 County, Texas.

1-17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-18 SECTION 1. Subsection (f), Section 1002.051, Special
1-19 District Local Laws Code, is amended to read as follows:

1-20 (f) Directors serve staggered four-year terms. The
1-21 district shall hold an election each odd-numbered year to elect the
1-22 appropriate number of directors [two-year terms unless four-year
1-23 terms are established under Section 285.081, Health and Safety
1-24 Code. If the directors serve two-year terms, the terms of directors
1-25 elected to odd-numbered positions expire in even-numbered years and
1-26 the terms of directors elected to even-numbered positions expire in
1-27 odd-numbered years].

1-28 SECTION 2. Section 1002.058, Special District Local Laws
1-29 Code, is amended to read as follows:

1-30 Sec. 1002.058. [~~STAFF~~ PHYSICIAN] OFFICE FACILITIES.

1-31 (a) In this section, "licensed health care professional" means any
1-32 individual who is licensed or certified by or registered in this
1-33 state to provide health care.

1-34 (b) The board shall determine the type, number, and location
1-35 of buildings necessary to establish and maintain office facilities
1-36 for staff physicians, physicians employed under Section 1002.061,
1-37 and other licensed health care professionals to provide adequate
1-38 health [medical] care services for the district within the licensed
1-39 health care professionals' scope of license.

1-40 (c) [~~(b)~~] The board may:

1-41 (1) acquire property and equipment and construct
1-42 facilities for the district for use by staff physicians, physicians
1-43 employed under Section 1002.061, and other licensed health care
1-44 professionals; and

1-45 (2) mortgage or pledge the property, equipment, or
1-46 facilities as security for the payment of the purchase price or
1-47 construction cost.

1-48 (d) [~~(c)~~] The board may lease the office facilities and
1-49 equipment to staff physicians, physicians employed under Section
1-50 1002.061, and other licensed health care professionals or may sell
1-51 or otherwise dispose of the property, facilities, and equipment.

1-52 SECTION 3. Subchapter B, Chapter 1002, Special District
1-53 Local Laws Code, is amended by adding Section 1002.061 to read as
1-54 follows:

1-55 Sec. 1002.061. EMPLOYMENT OF PHYSICIANS. (a) The board
1-56 may employ a physician and retain all or part of the professional
1-57 income generated by the physician for medical services provided at
1-58 a hospital or other health care facility owned or operated by the
1-59 district if the board satisfies the requirements of this section.

1-60 (b) The board shall:

1-61 (1) appoint a chief medical officer for the district

2-1 who has been recommended by the medical staff of the district; and
2-2 (2) adopt, maintain, and enforce policies to ensure
2-3 that a physician employed by the district exercises the physician's
2-4 independent medical judgment in providing care to patients.

2-5 (c) The policies adopted under this section must include:

2-6 (1) policies relating to:

2-7 (A) credentialing and privileges;

2-8 (B) quality assurance;

2-9 (C) utilization review;

2-10 (D) peer review and due process; and

2-11 (E) medical decision-making; and

2-12 (2) the implementation of a complaint mechanism to
2-13 process and resolve complaints regarding interference or attempted
2-14 interference with a physician's independent medical judgment.

2-15 (d) The policies adopted under this section must be approved
2-16 by the medical staff of the hospital. In the event of a conflict
2-17 between a policy adopted by the board and approved by the medical
2-18 staff under this section and a policy of the hospital, a conflict
2-19 management process shall be jointly developed by the medical staff
2-20 of the hospital and the board and implemented to resolve that
2-21 conflict.

2-22 (e) For all matters relating to the practice of medicine,
2-23 each physician employed by the district shall ultimately report to
2-24 the chief medical officer of the district.

2-25 (f) The chief medical officer shall notify the Texas Medical
2-26 Board that the board is employing physicians under this section and
2-27 that the chief medical officer is the board's designated contact
2-28 with the Texas Medical Board. The chief medical officer shall
2-29 immediately report to the Texas Medical Board any action or event
2-30 that the chief medical officer reasonably and in good faith
2-31 believes constitutes a compromise of the independent medical
2-32 judgment of a physician in caring for a patient.

2-33 (g) The board shall give equal consideration regarding the
2-34 issuance of medical staff membership and privileges to physicians
2-35 employed by the district and physicians not employed by the
2-36 district.

2-37 (h) A physician employed by the district shall retain
2-38 independent medical judgment in providing care to patients and may
2-39 not be disciplined for reasonably advocating for patient care.

2-40 (i) If the district provides professional liability
2-41 coverage for physicians employed by the district, a physician
2-42 employed by the district may participate in the selection of the
2-43 professional liability coverage, has the right to an independent
2-44 defense at the physician's own cost, and retains the right to
2-45 consent to the settlement of any action or proceeding brought
2-46 against the physician.

2-47 (j) If a physician employed by the district enters into an
2-48 employment agreement that includes a covenant not to compete, the
2-49 agreement is subject to Section 15.50, Business & Commerce Code,
2-50 and any other applicable provision.

2-51 (k) The board may not delegate to the chief executive
2-52 officer of the district the authority to hire, terminate, or make
2-53 any other personnel decisions relating to a physician.

2-54 (l) This section applies to medical services provided by a
2-55 physician at a hospital or other health care facility owned or
2-56 operated by the district.

2-57 (m) This section may not be construed as authorizing the
2-58 board to supervise or control the practice of medicine as
2-59 prohibited under Subtitle B, Title 3, Occupations Code.

2-60 SECTION 4. Section 1002.251, Special District Local Laws
2-61 Code, is amended to read as follows:

2-62 Sec. 1002.251. DEPOSITORY. ~~The [As soon as practicable~~
2-63 ~~after the creation election results favorably to the creation of~~
2-64 ~~the district, the]~~ board shall by resolution designate a bank
2-65 within the county as the district's depository, and all funds of the
2-66 district shall be secured in the manner provided for the security of
2-67 county funds. Such depository shall serve for a period of five
2-68 ~~[two]~~ years and until a successor has been selected.

2-69 SECTION 5. Subsection (b), Section 1002.252, Special

3-1 District Local Laws Code, is amended to read as follows:

3-2 (b) To secure a loan or line of credit, the board may pledge:

3-3 (1) revenue of the district that is not pledged to pay
3-4 the district's bonded indebtedness;

3-5 (2) taxes to be imposed by the district in the next
3-6 12-month period that are not pledged to pay the principal of or
3-7 interest on district bonds; or

3-8 (3) district bonds that have been authorized but not
3-9 sold.

3-10 SECTION 6. (a) Notwithstanding Section 1002.051, Special
3-11 District Local Laws Code, as amended by this Act, an election of the
3-12 board of directors of the Angleton-Danbury Hospital District of
3-13 Brazoria County, Texas, shall be held in May 2014, and the directors
3-14 elected to places 1, 3, 5, 7, and 9 at the election shall serve
3-15 three-year terms.

3-16 (b) The election of the board of directors scheduled to be
3-17 held in May 2015 must be held, and the directors elected to places
3-18 2, 4, 6, and 8 at that election shall serve four-year terms.

3-19 (c) The directors elected at the elections to be held in May
3-20 2017 and May 2019 shall serve four-year terms.

3-21 SECTION 7. (a) Except as provided by Subsection (b) of
3-22 this section:

3-23 (1) this Act takes effect immediately if it receives a
3-24 vote of two-thirds of all the members elected to each house, as
3-25 provided by Section 39, Article III, Texas Constitution; and

3-26 (2) if this Act does not receive the vote necessary for
3-27 immediate effect, this Act takes effect September 1, 2013.

3-28 (b) Section 1002.051, Special District Local Laws Code, as
3-29 amended by this Act, takes effect January 1, 2014.

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